SENATE FILE BY (PROPOSED COMMITTEE ON AGRICULTURE BILL BY CO=CHAIRPERSON FRAISE) Passed Senate, Date _____ Passed House, Date _____ Vote: Ayes _____ Nays ____ Approved ____ A BILL FOR 1 An Act relating to farm tenancies. 2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA: 3 TLSB 5538SK 81 4 da/gg/14 PAG LIN Section 1. <u>NEW SECTION</u>. 562.1A DEFINITIONS. As used in this chapter, unless the context otherwise 1 3 requires: 1. "Farm tenancy" means a leasehold interest in land held 5 by a person who produces crops or provides for the care and 6 feeding of livestock on the land, including by grazing or 7 supplying feed to the livestock. 2. "Livestock" means the same as defined in section 717.1. Sec. 2. Section 562.5, Code 2005, is amended to read as 8 1 9 1 10 follows: 1 11 562.5 TERMINATION OF FARM TENANCIES. 1 12 In the case of tenants occupying and cultivating farms a 13 farm tenancy, the notice must fix the termination of the farm 1 14 tenancy to take place on the first day of March, except in 1 15 cases of <u>a</u> mere croppers <u>cropper</u>, whose leases <u>farm tenancy</u> 1 16 shall be held to expire <u>terminate</u> when the crop is harvested <u>+</u>. 1 17 However, if the crop is corn, it the termination shall not be 1 18 later than the first day of December, unless otherwise agreed 1 19 upon. Sec. 3. Section 562.6, Code 2005, is amended to read as 1 21 follows: 562.6 AGREEMENT FOR TERMINATION. 1 23 If an agreement is made fixing the time of the termination 1 24 of the a tenancy, whether in writing or not, the tenancy shall 1 25 cease terminate at the time agreed upon, without notice. In 1 26 the case of farm tenants, except Except for a farm tenant who 27 is a mere croppers, occupying and cultivating cropper, a farm 1 28 tenancy with an acreage of forty acres or more, the tenancy
1 29 shall continue beyond the agreed term for the following crop 1 30 year and otherwise upon the same terms and conditions as the 1 31 original lease unless written notice for termination is served 32 upon either party or a successor of the party in the manner 33 provided in section 562.7, whereupon the <u>farm</u> tenancy shall 1 34 terminate March 1 following. However, the tenancy shall not 35 continue because of <u>an</u> absence of notice if there is default 1 in the performance of the existing rental agreement. EXPLANATION 2 3 Code chapter 562, and in particular Code sections 562.5, 4 562.6, and 562.7, governs how notice must be provided to a 5 farm tenant in order to terminate a lease by providing a 6 number of rights to farmer=tenants. For example, there must 7 be a fixed amount of time between a notice of termination and 8 the actual termination date (the notice must be given by 9 September 1 to terminate the lease for the following crop 2 10 year), it must terminate on March 1, and if there is no timely 2 11 notice of the termination or the notice does not otherwise 2 12 satisfy the requirements of the statute, the tenancy will 2 13 automatically be continued under the same terms and conditions 2 14 of the original lease for the following crop year (unless the 2 15 parties agree otherwise).

2 16 There are several exceptions. The tenants' rights 2 17 provisions do not apply to a "mere cropper" (an undefined

2 18 term, but generally a person who pays for the land's use on a 2 19 crop share basis, meaning a percentage of the crops produced 2 20 on the land rather than a fixed amount), a tenancy which is 2 21 less than 40 acres, where there is a default in the 2 22 performance of the terms of the lease, or where the tenant is 2 23 not "occupying and cultivating" the land. The Iowa Supreme 2 24 Court has held that the term "occupy" is not restricted to 2 25 residency. See <u>Paulson v. Rogis</u>, 77 N.W.2d 33 (Iowa 1956). 2 26 However, in a later case, the Iowa Supreme Court held that 2 27 "cultivation" did not include using the land for grazing 2 28 presumably post-harvest gleaning under common "cornstalk 2 29 leases". See Morling v. Schmidt, 299 N.W.2d 480 (Iowa 1980). 2 30 This bill amends Code chapter 562 by defining a "farm to mean a leasehold interest in land held by a personal content of the second state of the second secon 31 tenancy" to mean a leasehold interest in land held by a person 32 who produces crops or provides for the care and feeding of 33 livestock on the land, including by grazing or supplying feed 34 to the livestock. The bill eliminates the term "occupying and "Livestock" is defined by reference to a 35 cultivating". 1 commonly used definition in Code section 717.1, which includes 2 an animal belonging to the bovine, caprine, equine, ovine, or 3 porcine species, ostriches, rheas, emus, farm deer, or 4 poultry. 5 LSB 5538SK 81

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